## North Carolina Department of Health and Human Services Division of Aging

Michael F. Easley, Governor Carmen Hooker Odom, Secretary

Karen E. Gottovi Director

DOA Administrative Letter 03-15

TO: Area Agency on Aging Administrators

SUBJECT: Nutrition Services Incentive Program (NSIP)

DATE: October 3, 2003

The Nutrition Services Incentive Program (NSIP) is the new name for the USDA cash or commodities program authorized by the Older Americans Act (OAA) for many years. In 2003, administration of the program was transferred to the Administration on Aging (AoA) from the U.S. Dept. of Agriculture. There are no significant changes in the program as a result of this transfer, but there is one difference in interpretation noted below. Commodities or cash in lieu of commodities are still available. The new name refers to the fact that the cash or cash and commodity allocation is a proportional share of a federal fiscal year allocation. As long as meals satisfy the requirements of the OAA, they are eligible to be reported for purposes of the NSIP regardless of funding source. The more meals reported to AoA by a state, the larger the state's share of the federal allocation. Thus, the purpose of the program is to reward performance in meal delivery by programs funded, in whole or in part, under Title III and VI of the OAA.

This memo serves as an update to the Home and Community Care Block Grant Manual and is effective October 1, 2003. Please note the assessment of NSIP procedures are now included as part of the nutrition program services monitoring tool. NSIP assessment now should be completed as part of the nutrition program monitoring process rather than as an annual assessment as stated in the Home and Community Care Block Grant Manual. The monitoring of NSIP-only meals should be listed on Exhibit 17 and scheduled as needed but at least once every three years. Verification of units should be conducted at least every other year.

Congregate and home-delivered meals reported under service codes 180 and 020 or liquid nutritional supplement reported under 182 and 022 will continue to automatically receive the NSIP reimbursement the same as for the traditional USDA subsidy. Meals provided under other funding sources that meet eligibility criteria described below may be reported for NSIP-only reimbursement under the 181 and 021 service codes previously used for USDA-only meals.

According to AoA and the NC Division of Aging, the basic criteria that make a meal eligible for the NSIP reimbursement are:

- Meals must meet the OAA nutrition requirements for 1/3 RDA and follow the Dietary Guidelines for Americans.
- Meals must be served to eligible individuals who qualify to receive nutrition program services as defined in the Older Amercians Act and the NC Nutrition Service Standards.
- Participants may not be means-tested for eligibility.
- Regardless of funding source, meals reported for the NSIP subsidy must be served by a provider who is under the jurisdiction, control, management, and audit authority of an Area Agency on Aging. This means that an agency is eligible if it has a grant agreement with the AAA. Privately funded nutrition programs or assisted living facilities that are not funded by the AAA are not eligible to participate in the NSIP.
- No set fee can be charged for the meals provided (private pay meals are not eligible).
- Participants must be given an opportunity to contribute to the cost of service.
- Meals served in the CAP/DA Medicaid Waiver Program or means-tested state funded home and community based programs are not eligible for NSIP funding. This is a change in interpretation from previous correspondence with USDA.
- Home-delivered meals served under the Title III-Part E, the National Family Caregiver Support Program (FCSP) may be counted as a NSIP eligible meal if the meal meets the same criteria as above. For example, a meal provided under the FCSP that is served to a person over 60 or a spouse under age 60 is eligible to be reported as an NSIP-only meal. On the other hand, if the caregiver is an adult who is under age 60 and is not the spouse of the care recipient, the meal could not be reported under service code 021 as an NSIP-only meal.

Please contact Audrey Edmisten or Phyllis Stewart if the Division can be of further assistance.

Sincerely,

Karen Gottovi

Director, Division of Aging

Karen Lottovi

CC: Edmisten, Stewart, Freedman, Hensley, Urso,